



IN REPLY REFER TO:
3809
(UT-924-OA)
UTU-66868

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

5/053/034
RECEIVED

AUG 29 2003

DIV OF OIL GAS & MINING

August 25, 2003

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

DECISION

Obligor/Operator:	:	Notice Operation:	UTU-66868
Ken Brown	:		
Western Hills	:	Bond Amount:	\$2,000.00
288 W. Center	:		
Kanab, UT 84741	:	Project:	Sandstone Mountain
	:		
Financial Institution:	:		
Zions Bank	:		
41 E. Center	:		
Kanab, UT 84741	:		

Financial Guarantee Accepted
Notice Extended

On January 17, 2003, you filed a notice extending the above-mentioned notice with the St. George Field Office, Bureau of Land Management (BLM). The reclamation cost estimate is determined to be \$2,000 for the above-mentioned notice operation.

On August 19, 2003, this office received a Surface Management Personal Bond contract and evidence of a certificate of deposit (CD) account as the financial guarantee for the bond in the amount of \$2,000 to secure a bond for the notice identified above. The bond and the financial document have been examined and found satisfactory. The financial guarantee is accepted as of August 19, 2003, and accordingly, the above-mentioned notice is extended until January 20, 2005.

The bond covers operations conducted by or on behalf of the obligor/operator on the above-mentioned notice.

The pledge for the bond is a CD written by the financial institution named above. The CD will be retained in this office until all terms and conditions of the operations have been fulfilled or until a satisfactory replacement bond has been accepted. If the term of the CD expires prior to release or replacement of the bond, the obligor may request the return of the certificate only by providing a replacement certificate made payable to the Department of the Interior-BLM, and bearing interest payable to the obligor or some other party. Otherwise, the certificate will be redeemed or retained for potential redemption to guarantee fulfillment of the obligor's obligations on the above-mentioned notice.

Please be advised that release of the funds in the account to any party will be allowed only after Secretarial approval is given to the financial institution through the BLM Utah State Office. Also, any penalties for early redemption of the CD account will be paid from the obligor's interest earned and not from the principal amount of the CD.

Per telephone conversation with Sandra Kitchen of Zions Bank, the CD may be redeemed by BLM without approval from Ken Brown or Western Hills; and the CD will automatically renew at the end of its term. If you have any questions, please contact Opolonia Abeyta at (801) 539-4123.

/s/ Robert Lopez

Robert Lopez
Chief, Branch of
Minerals Adjudication

cc: Rick Rymerson, St. George Field Office, UT-100
Terry Snyder, Utah State Office, UT-923
Wayne Hedberg, UDOGM, File No. S/053/034